



SURFACE TRANSPORTATION BOARD
Washington, DC 20423

Office of Environmental Analysis

EO-3585

Name
Organization
Department
Address Line 1
Address Line 2
City, State, Zip Code

November 12, 2021

Re: Docket No. FD 36500, Canadian Pacific Railway Limited, et al.—Control of—
Kansas City Southern, et al.; **Notice of Intent to Prepare an Environmental
Impact Statement**

Dear State Agency Official:

On October 29, 2021, Canadian Pacific Railway Limited, et al. (CP) and Kansas City Southern, et al. (KCS) (collectively, Applicants) filed an application with the Surface Transportation Board (Board) seeking authorization for CP to acquire KCS. This acquisition would create the first railroad to connect Canada, the United States, and Mexico. CP's system runs east to west across Canada, connecting the east and west coast ports. It runs south into the U.S. Midwest and connects with KCS in Kansas City. KCS runs from Kansas City to the Gulf Coast and into Mexico. The combination of these two railroads would be an 'end-to-end' merger because the CP and KCS railroad networks do not overlap (see the interactive map on the Board-sponsored project website here: <https://cp-kcsmergereis.com/maps.htm>).

As part of the approval process, the Board must evaluate the potential impacts of the proposed acquisition on the environment, in accordance with the National Environmental Policy Act (NEPA) and the Board's environmental regulations (49 C.F.R Part 1105). To comply with NEPA, the Board's Office of Environmental Analysis (OEA) has initiated preparation of an Environmental Impact Statement (EIS) by issuing a Notice of Intent to Prepare an EIS (NOI) in the *Federal Register* on November 12, 2021. A copy of the NOI is available here: <https://cp-kcsmergereis.com/docs/cp-kcs-noi.pdf> .

The EIS will describe the potential environmental impacts of the proposed acquisition and assist the Board with making its decision about whether to approve, approve with conditions, or deny the acquisition. The statute setting forth the procedures for Board review of acquisitions at 49 U.S.C. § 11325 and the Board's implementing regulations at 49 C.F.R. § 1180.4 (2000) require that the Board complete its review within approximately 15 months after the application

is accepted for a “major” transaction such as this, and OEA must complete the environmental process before the Board issues a final decision.

Scoping

Scoping is the first step in the preparation of an EIS. Scoping is an open process that helps define the range of issues that should be considered in the EIS. This letter describes OEA’s proposed approach to the EIS and asks you to review and comment on the proposed approach as well as provide any information you believe may be relevant when considering impacts, either negative or beneficial, to environmental resources under your jurisdiction or purview.

Description of the Proposed Action

According to the Applicants, the purpose of the proposed acquisition is to combine America’s two smallest but fastest-growing Class I railroads to build a more efficient and more competitive rail network. The Applicants state that the proposed acquisition would further the need for expanded and more capable and efficient transportation infrastructure while simultaneously advancing the interests of current and future customers in more reliable and economical rail transportation options serving important North-South trade flows. The Applicants also state that the proposed acquisition would generate environmental benefits by reducing truck transportation on highways in North America by more than 60,000 trucks annually, resulting in less congestion, less maintenance, and improved safety on those roads, as well as less noise pollution in the places where those trucks would have driven, and lowered air emissions, including greenhouse gas emissions.

The proposed acquisition would involve (1) changes in level of operations (e.g., an increase in average trains per day) on certain segments of the combined rail network that would exceed the Board’s thresholds for environmental review at 49 C.F.R. § 1105.7(e); (2) changes in activity at some rail yards and intermodal facilities that would exceed the Board’s thresholds for environmental analysis; and (3) capital improvements within the existing rail right-of-way. The thresholds for assessing environmental impacts from increased rail traffic on rail lines in railroad acquisition proceedings are an increase in rail traffic of at least 100 percent (measured in gross ton miles annually) or an increase in rail traffic of at least eight trains per day. For air quality impacts, rail lines located in areas classified as being in nonattainment under the Clean Air Act are also assessed if they would experience an increase in rail traffic of at least 50 percent (measured in gross ton miles annually) or an increase of at least three trains per day. Based on our preliminary review, we have identified rail lines in Illinois, Iowa, Missouri, Kansas, Oklahoma, Arkansas, Louisiana, and Texas that could experience increases in rail traffic exceeding our analysis thresholds as a result of the proposed acquisition. The EIS will analyze the potential environmental impacts of increased rail traffic along those rail lines, as appropriate.

To support increased rail traffic on the combined network, the Applicants propose to add new passing sidings or extend existing passing sidings at 24 locations within the rail right-of-way as part of the proposed acquisition. Sidings would be added or extended at locations in Louisiana, Oklahoma, Arkansas, Kansas, Minnesota, Illinois, Iowa, and Missouri. The

Applicants also propose to add approximately four miles of double track within the right-of-way along the KCS Pittsburg Subdivision in Missouri and to add approximately five miles of facility working track within the right-of-way adjacent to the International Freight Gateway intermodal terminal in Missouri. The EIS will analyze potential environmental impacts, as appropriate, from these capital improvement projects.

The interactive map on the Board-sponsored project website here: <https://cp-kcsmergereis.com/maps.htm> shows the locations of the rail lines, rail yards, and intermodal facilities that would experience operational changes that would exceed the Board's environmental analysis threshold, as well as the locations of proposed capital improvements within the rail right-of-way.

Request for Comments and Consultation

OEA requests your comments on the potential environmental impacts of the proposed acquisition. We propose a conference call with your agency and others to discuss the potential environmental impacts.

How to Comment

We encourage you to file your written comments electronically through the Board-sponsored project website at www.CP-KCSMergerEIS.com. Written comments can also be submitted electronically on the Board's website, <https://www.stb.gov>, by clicking on the "E_FILING" link, then clicking on "Environmental Comments." Alternatively, your written comments may be sent by mail to:

Joshua Wayland, Surface Transportation Board, c/o VHB
Attention: Environmental Filing, Docket No. FD 36500
940 Main Campus Dr., Suite 500
Raleigh, NC 27606

Please make sure to refer to Docket No. FD 36500 in all correspondence, including E-filings, addressed to the Board. **All scoping comments must be sent no later than December 17, 2021.**

Public Scoping Meetings

Additionally, to provide an opportunity for the public to provide oral comments, OEA will hold six online public scoping meetings. We invite you to attend those meetings if you are interested. You can attend the online public scoping meetings in one of two ways:

- Join online at: <https://bit.ly/cp-kcs>.
 - Project information will be available for review at this link prior to the public meeting dates.
- Join by phone by calling (888) 788-0099 (Toll Free) and using the call-in information below:

Date	Time	Meeting ID	Passcode
Tuesday, November 30, 2021	6-8 PM	899 9411 9431	336859
Wednesday, December 1, 2021	2-4 PM	834 1445 3134	140066
Thursday, December 2, 2021	6-8 PM	860 6003 9544	510488
Tuesday, December 7, 2021	6-8 PM	891 6903 1796	598592
Wednesday, December 8, 2021	2-4 PM	884 5338 0280	470936
Thursday, December 9, 2021	6-8 PM	899 8627 2409	227867

Next Steps

Following the end of the scoping period on December 17, 2021, OEA will review the comments and then issue a Final Scope of Study for the EIS. OEA will then proceed with the preparation of the Draft EIS. You will be notified of the publication of the Draft EIS and will have the opportunity to review and comment on the document. At this time, OEA anticipates issuing the Draft EIS in the spring of 2022. In the meantime, OEA may contact you with questions or queries pertaining to the resources under your jurisdiction or purview.

Additional information on this project and the Board's environmental review process is available on the Board-sponsored project website at www.CP-KCSMergerEIS.com. If you have any questions or would like to discuss the proposal in more detail, please contact Joshua Wayland at 202-245-0330 (e-mail address: Joshua.Wayland@stb.gov). We look forward to your participation in the Board's environmental review process.

Sincerely,



Danielle Gosselin
Acting Director
Office of Environmental Analysis

FIRST-NAME	LAST-NAME	TITLE	ORGANIZATION/AGENCY	DEPARTMENT	CITY	STATE
AJ	Gary	Director	Department of Public Safety	Emergency Management	North Little Rock	AR
Becky	Keogh	Director	Department of Energy and Environment	Environmental Quality	North Little Rock	AR
Chris	Coldasure	Director	Department of Agriculture	Natural Resources Division	Little Rock	AR
John	Fleming	Division Head	ARDOT	Environmental Division	Little Rock	AR
Stacy	Hurst	SHPO	Department of Arkansas Heritage/SHPO		Little Rock	AR
Matt	Twyford	Director	Department of Commerce	Arkansas Economic Development Commission, Community Development	Little Rock	AR
Angela	Poole	Director	Iowa Department of Transportation	Directors Office	Ames	IA
Chris	Kramer	Director	Department of Cultural Affairs	Directors Office	Des Moines	IA
Daniel	Hansen	Project Manager	Economic Development Authority	Community Development	Des Moines	IA
Debi	Durham	Executive Director	Economic Development Authority		Des Moines	IA
Jerah	Sheets	Leader Water Quality Improvement	Department of Natural Resources	Environmental Protection Commission	Des Moines	IA
Julie	Kenney	Deputy Secretary of Agriculture	Department of Agriculture and Land Stewardship		Des Moines	IA
Katie	Averill	Department Director	Department of Commerce		Des Moines	IA
Kayla	Lyon	Director	Department of Natural Resources	Directors Office	Des Moines	IA
Kenneth	Brink	Environmental Resources Manager	Iowa Department of Transportation	Location and Environmental Department	Ames	IA
Kim	Rasler	CRD Executive Officer	Department of Natural Resources	Natural Resource Commission	Des Moines	IA
Stephan	Bayens	Commissioner	Department of Public Safety		Des Moines	IA
Ann Marie	Holthrop	Division Chief	Illinois Department of Natural Resources	Natural Heritage	Springfield	IL
Carey	Mayer	Division Manager and Deputy SHPO	Department of Natural Resources	Historic Preservation Division	Springfield	IL
David	Goben	Program Manager	Illinois Department of Commerce and Economic Opportunity		Springfield	IL
Abby	Works	Chief of Staff Lieutenant Governor/Secretary of Commerce David Toland	Department of Commerce	Office of the Secretary	Topeka	KS
Andrew	Lyon	Executive Director	Department of Agriculture	Division of Conservation	Manhattan	KS
Donna	Fisher	Directors Office	Department of Health and Environment		Topeka	KS
Doug	Cole	Southeast District Environmental Administrator	Department of Health and Environment	Southeast District Office	Chanute	KS
Jaime	Wilson	Northeast District Environmental Administrator	Department of Health and Environment	Northeast District Office	Lawrence	KS
Jason	Walker	Public Relations Director	Department of Agriculture	Office of the Secretary	Manhattan	KS
Jennie	Chinn	Executive Director	Kansas Historical Society		Topeka	KS
Kayla	Savage	Division Director	Department of Commerce	Community Development Division	Topeka	KS
Mike	Bean	Secretary	Department of Agriculture	Office of the Secretary	Manhattan	KS
Ansel	Rankins	Assistant Commissioner	Department of Agriculture and Forestry	Agriculture and Environmental Science	Baton Rouge	LA
Jason	Landos	Director of State Energy Office		State Energy Office	Baton Rouge	LA
Nicole	Hobson-Morris	Executive Director	Office of Cultural Development	Division of Historic Preservation	Baton Rouge	LA
Noel Ann	Ardoin	Environmental Engineer Administrator	Department of Transportation and Development	Environmental Engineer Administrator	Baton Rouge	LA
Grace	Arnold	Commissioner	Department of Commerce		Saint Paul	MN
Marni	Karnowski	Chief Environmental Officer	Minnesota Department of Transportation	Environmental Stewardship Office	St. Paul	MN
Sarah	Strommen	Commissioner	Department of Natural Resources		St. Paul	MN
Sarah	Beimers	SHPO	Environmental Review		Saint Paul	MN
Thom	Petersen	Commissioner	Minnesota Department of Agriculture		Saint Paul	MN
Caleb	Arthur	Chair	Environmental Improvement and Energy Resource Authority		Jefferson City	MO
Chlora	Lindley-Myers	Director	Missouri Department of Commerce and Insurance		Jefferson City	MO
Chris	Chinn	Director	Missouri Department of Agriculture		Jefferson City	MO
Dr. Toni	Prawl	Deputy	State Historic Preservation Office	Section 106 Review	Jefferson City	MO
Dru	Buntin	Acting Director	Department of Natural Resources	Division of Environmental Quality	Jefferson City	MO
James	Remillard	Director	Missouri Department of Public Safety	State Emergency Management Agency	Jefferson City	MO
Rob	Dixon	Director	Missouri Department of Economic Development		Jefferson City	MO
Steve	Campbell	District Engineer	MODOT	Southwest District	Springfield	MO
Gary	O'Neill	State Conservationist	NRCS	State Office	Stillwater	OK
Kenneth	Wagner	Secretary of Energy and Environment	OK Secretary of Energy and Environment	Environmental Quality	Oklahoma City	OK
Kristina	Wyckoff	Section 106 Coordinator/Historic Archaeologist	Oklahoma Historical Society	State Historic Preservation Office	Oklahoma City	OK
Lynda	Ozan	Deputy State Historic Preservation Officer	Oklahoma Historical Society	State Historic Preservation Office	Oklahoma City	OK
Mike	Sawatzky	Director	Land Commissioners	Agricultural Real Estate	Oklahoma City	OK
Siv	Sundaram	Division Engineer	Oklahoma DOT	Environmental Programs Division	Oklahoma City	OK
Teena	Gunter	Director	Department of Agriculture, Food, and Forestry	Division of Agricultural Environmental Management	Oklahoma City	OK
Todd	Hiatt	Chairman	Oklahoma Corporation Commission		Oklahoma City	OK
Carol	Crouch	State Tribal Liaison	NRCS	State Tribal Liaison	Stillwater	OK
Scott	Mueller	Secretary of Commerce and Workforce Development	Commerce Department		Oklahoma City	OK
Interested	Stakeholder		Department of Public Safety	Emergency Management	Oklahoma City	OK
Jon	Roberts	Commission Chair	DEQ	Environmental Reviews	Oklahoma City	OK
Interested	Stakeholder		Conservation Commission		Oklahoma City	OK
Devon	Sauzek	President	OK Capital Investment Board		Oklahoma City	OK
Andrew	Messer	Deputy Treasurer for Policy & Debt Management	Capitol Improvement Authority		Oklahoma City	OK
Craig	Pritzlaff	Director	Commission on Environmental Quality	Office of Compliance and Enforcement	Austin	TX
Dan	Hunter	Assistant Commissioner for Water and Rural Affairs	Department of Agriculture	Assistant Commissioner	Austin	TX
Hadassah	Schloss	Public Information Officer	Texas General Land Office (GLO) Natural Resource Trustee Program		Austin	TX
Marc	Williams	Executive Director	Texas Department of Transportation	Environmental Division	Austin	TX
Michael	Treyger	Deputy Director	Department of Economic Development	Business and Community Development	Austin	TX
Vaughn	Aldredge	Government Relations Specialist	Historical Commission		Austin	TX
Steven	Mach	Chairman	Department of Public Safety	Public Safety Commission	Houston	TX